# Suppliers Selection Criteria

## Quality/Delivery/Value Add
- Effective quality management system
- On Time Delivery > 99% on time and zero interruptions
- Quality Performance - Target Goal < 500 ppm
- Value Analysis/Value Engineering
- Supplier Managed Inventory/Demand Pull
- Continuous Improvement

## Pricing/Cost
- Market competitive
- Global manufacturing profile
- Year over year productivity
- Open sharing of cost to focus on non value add
- Net 60 Terms

## New Product Development
- Effective early supplier involvement on design, quality, cost, and schedule attainment

## Management Commitment
- Committed, flexible, and responsive
- Financially stable (D&B Rating), growth, investing in new technologies
- Global Agreement/Consistent payment terms
- Creates competitive advantage
Suppliers Sourcing

Commodities

- Electronic component
- Service provider
- MRO suppliers
- Electro-mechanical
- Printed circuit board
- Packaging
- Chemical
Suppliers Development

Criteria:
- Technologies
- Quality
- Cost
- Responsiveness
- Dependability

Behaviors:
- Trust and Integrity
- Respect and care for each other
- Teamwork and Collaboration
- Closed loop communication
- Metrics

Conquering Complexity™